

Just Saying: Surely we can all agree on fair rates

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I think I have found something that we can all agree on: None of us want to overpay.

If there's one thing that could unite the country — Democrats and Republicans, conservatives and liberals, dogs and cats — it's that doling out more of our hard-earned money than we have to for a product or service is bad. Especially when that product or service is supposed to be fairly cost-controlled by a group of commissioners whose salaries we pay through our tax dollars.

And yet, I'm not really hearing the public outcry that I should over the recent shenanigans of the Alabama Public Service Commission.

For those of you who haven't followed this, here are the basics.

After reports on al.com found that Alabama residents were paying substantially more for power and gas than residents in Georgia and Mississippi, one of the PSC commissioners, Terry Dunn, called for a formal rate review for Alabama's utility companies.

This sort of formal review would require representatives from the companies to testify under oath at a formal hearing about their rate structures and answer pointed questions about why those rates are higher.

And they are much higher, in some cases.

Those reports found that during a six-year period (2006-11), it cost Georgia Power \$1.1 billion more to produce power for residents of that state than it did for Alabama Power to produce power here, yet Alabama Power customers paid \$1.5 billion more than Georgia Power customers for the same amount of power.

Similar studies found we pay more than twice as much as Mississippi residents for natural gas. And Alagasco, the largest gas producer, was allowed to charge Alabama residents three times more for operations and maintenance than Georgia's companies.

Put simply: We're overpaying out the wazoo.

And our PSC, which should be preventing these sorts of discrepancies, has allowed it to go on.

Even worse, now two PSC commissioners and the governor are trying to keep it this way.

PSC president Twinkle Cavanaugh and commissioner Jeremy Oden are fighting Dunn's request for formal reviews, instead asking for informal reviews that won't require the utility company reps to go under oath and will limit who can ask them questions. Gov. Robert Bentley is standing with Twinkle and Oden. And they all claim to be fighting against "environmental extremist attorneys," whatever that is.

The fight has gotten ugly. (And let's keep in mind that all of the people fighting are Republicans, so no need to pick a side arbitrarily.)

Dunn has been blasted by his party mates, who questioned his values and motives. Dunn fired back in a letter, calling his attackers liars and calling the notion — perpetuated by Twinkle — that a formal review process would

allow for “extremists” to hijack the proceedings a “ridiculous” accusation.

Cavanaugh wrote her own letter to citizens, which turned out to be one of the dumbest set of words ever placed on paper. She somehow managed to include every conservative buzzword while failing to answer the one pertinent question. Despite mentions of President Obama’s election and re-election, numerous references to “extremists” and even a line about the “Wizard of Oz,” she did not once attempt to explain how a formal rate review would open the proceedings up to a hijacking.

She also has failed to answer that question when asked directly at least twice by reporters.

I guess that’s OK, since our governor doesn’t seem to know, either, despite the fact he’s landed solidly on Cavanaugh’s side.

Bentley said last week that he didn’t want proceedings that would result in this state being told it can’t use a particular power source, such as coal. Asked the appropriate follow up of how a formal rate review would produce such a result, the governor said, “Look, I really don’t know any more about this than what I’ve read ...” I could print the rest of the quote, but does it really matter?

You know why Cavanaugh and Bentley can’t explain their positions? Because there isn’t a reasonable, acceptable explanation.

There are simple facts here: These utility companies are monopolies. They’re allowed to operate as such because they’ve agreed to monitoring by our PSC. Our rates should be in line with the rates paid by customers in states with similar costs and similar incomes. Our rates are way too high. A formal review would require honest testimony and the most accurate explanation of rates.

And that would be the most likely process for lowering the rates in this state.

Surely that’s something we can all agree on.